

MEMORANDUM FOR: [REDACTED] 25X1A9a 1 November 1951
THROUGH : Mr. Max F. Millikan
FROM : [REDACTED] 25X1A9a
SUBJECT : Preparation and Coordination of National Estimates
before October 1950.

I have prepared the following informal comments in response to your recent request for information concerning our experience in the preparation of National Estimates before October 1950. Of necessity these comments are merely suggestive indications of topics that might be pursued further if this is desired for the purposes you have in mind. The enclosures have been selected as among the most pertinent that were immediately at hand. They are perhaps sufficient to illustrate the various points that I have tried to make.

These comments are directed only to the final review and coordination of estimates and not to the questions of research, production, and collection requirements, which were the constant concern of the producing divisions of ORE. As Chief of the Coordination and Production Branch of the Publications Division, I was responsible for directing the coordination of papers with the IAC agencies, and I personally conducted most of the formal interagency coordination meetings. These observations are made largely from that vantage point.

2 Nov 51
ADIR 30

1. Preparation of Estimates.

Although a number of different publications were issued by ORE (the Office of Research and Estimates), only the ORE (national estimates) series, the SR (Situation Report) series, and an occasional Intelligence Memorandum were formally coordinated with the IAC agencies. These comments concern primarily the ORE's and the SR's.*

In general, the subjects of papers were proposed by the regional and functional divisions to the Publications Division** for approval and formal initiation. Many important papers resulted from requests external to ORE (DCI, NSC, JIC, IAC, Secretary of Defense, etc.).*** These were initiated through the Publications Division, which drew up the terms of reference in consultation with the substantive divisions and allocated production responsibilities and deadlines. Ordinarily this type of paper carried a higher priority than ORE-initiated papers and resulted in the frequent deferment of the latter.

Increasingly the procedure in initiating major projects included inter-agency conferences on the terms of reference and allocation of production responsibilities among the agencies. The trend was in the direction of increasing interagency cooperation at the working level. Not infrequently ad hoc committees were appointed for this purpose.

* The other official publications were the CIA-series (Monthly Situation Reports), the M-series (Map Reports), the MR-series (Map Research Bulletins), the Daily and Weekly Summaries, and the NIS-series (National Intelligence Surveys). The volume of ORE production is indicated in the attached report (Enclosure A) for 13 months (1 January 1950 - 1 February 1951).

** Successor to the Staff Intelligence Group and its predecessors, the Project Division of the Intelligence Staff, and the Estimates Group. The Publications Division also incorporated the former Current Intelligence Group.

*** See Enclosure B (Supplement) for a recapitulation of such requests for 1950. It will be noted that projects internally and externally initiated were about equally divided. This also was true of projects actually completed.

Although for some time the State Department had consistently exchanged information with CIA on the initiation of projects, this was not true of the other agencies. Early attempts (1947-48) were made to exchange information with the agencies on the initiation of projects in an effort to reduce duplication. G-2, A-2, and State collaborated. ONI declined on the ground that most projects were for internal consumption. Failing to get complete cooperation and agreement on a uniform reporting period led to temporary abandonment of this effort. Beginning about June 1950, however, a consolidated list of IAC-initiated projects was issued monthly. In the absence of any significant coordination of project planning among the IAC agencies, this list was only informational and was discontinued after the reorganization. A separate report was sent to the IAC agencies each month giving in detail the status of all ORE projects.

Completed draft projects in ORE were reviewed and edited in the Publications Division in consultation with the producers. The drafts were then sent to the IAC agencies for comment.

2. Coordination with the IAC Agencies.

The procedures for producing and coordinating intelligence estimates are set forth in DCI 3/1 of 8 July 1948 and DCI 3/2 of 13 September 1948. These were based on the provisions of NSCID 1 and 3.*

Draft estimates were sent to the IAC agencies either for written comment or with a request that representatives be appointed to discuss the papers at

* DCI 3/1, "Standard Operating Procedures for Departmental Participation in the Production and Coordination of National Intelligence."
DCI 3/2, "Policy Governing Departmental Concurrences in National Intelligence Reports and Estimates."
NSCID 1, "Duties and Responsibilities."
NSCID 3, "Coordination of Intelligence Production."

a scheduled interagency meeting. When written comments were requested, a revised paper was prepared in the light of these comments and was sent either for final concurrence or for discussion at an interagency meeting. Variations of this procedure were used, dependent on the importance of the paper and the nature of disagreement.

Experience had shown that only the exceptional paper could be finally cleared without an interagency conference. Therefore, in order to expedite final publication, such a meeting was called in the great majority of cases in lieu of written comments. An attempt was made to obtain the best possible representation at these meetings, and, in general, it was of high caliber. The more important and controversial issues were usually covered by a larger and more able representation than routine projects. The meetings were ordinarily conducted by the Chief of the Coordination and Production Branch of the Publications Division. Representatives of the Division which had prepared the paper and of other interested Divisions of ORE were also present. Not infrequently Branch and Division Chiefs participated. As far as possible verbatim changes were made in the text, or, where this was not feasible, agreement was reached on the substance, and persons were appointed to write a revised version of sections of the paper. Recordings of the discussions were made and filed for reference. The position of each agency was canvassed at the conclusion of the meeting.

The revised text agreed upon at the meeting was again edited and then circulated to the agencies for final concurrence or dissent. Any substantive changes incorporated in the text at this stage were cleared with the agencies in advance, or they were otherwise alerted to such changes.

A very small number of estimates on the probability of war were prepared and coordinated by an ad hoc committee on which the Global Survey Division of ORE

was represented. The final clearance and publication of these were handled by the Publications Division.

A few estimates were produced under the urgent procedures prescribed in DCI 3/1 except that in some cases the initial step in the process was to call the agencies together for a discussion of the terms of reference. Even under the best conditions, expediting estimates of this kind proved cumbersome and unduly time-consuming.

During the year 1 November 1949 - 31 October 1950, 36 ORE's and 8 SR's were published. Of this number, 10 contained dissents by at least one agency, and one SR contained a concurrence with exception. None contained two dissents, but three dissents were recorded in three ORE's and four in one ORE. The last of these was a paper on Soviet atomic capability,* prepared and coordinated by the ad hoc committee noted above, and was concurred in only by the AEC. Of the other three, two were concerned with highly controversial issues in the Far East.** In summary, 75 percent of the estimates were coordinated with full IAC concurrence, and an additional 15 percent contained only one dissent. In a very few instances estimates were canceled in the face of probable multiple dissents. One estimate (CIA/RE 30-50, "Effects of Probable Argentine Economic Practice on US Security Interests") was canceled because of the inability or failure of OIR to take a final position. Only in very exceptional cases were IM's coordinated. However, IM-312, "Prospects for an Early Successful Chinese Communist Attack on Taiwan," encountered special coordination difficulties (including three dissents) which were reported at the time.*** (See also reference to this paper in Section 3, below.)

* ORE 91-49.

** ORE 7-50, "Probable Developments in Taiwan."

ORE 29-50, "Consequences to the US of Communist Domination of Mainland Southeast Asia."

*** See Enclosure C.

3. Problems.

One of the recurring problems that beset the coordination of estimates was the apparent lack of authority of representatives at interagency meetings to speak finally for their agencies. Not infrequently a change in the agency position would take place contradicting the original position of its representative or taking a new position. This was a source of embarrassment to the representatives themselves and a source of frustration to those in CIA who had produced and coordinated the paper.

This particular weakness in the process of coordination was also the cause of considerable delay in the final agency approval of estimates because not until the head of the intelligence agency had affixed his signature to the concurrence or dissent could one be sure of the agency's final position. The time-lag at this stage was sometimes serious and resulted in delays in publication.

I do not recall that any systematic study was ever made of the effect of coordination on the quality of CIA papers. My impression from working with a great many of them was that some papers were improved and others were not. The improvement was usually in the nature of strengthening the development of the problem with the addition of pertinent data or the correction of factual material. The predictive aspect of the estimates was not infrequently watered down and rendered innocuous in the process of reconciling conflicting news. The tendency was seldom in the direction of taking a strong position that would be helpful to policy makers.

It was recognized that some of the problems of coordination could have been anticipated if there had been more exchange and consultation between CIA and the other agencies during the preparation of estimates. In certain of the

divisions there were excellent informal relations, as was evidenced by the greater facility with which their papers were finally cleared.

In spite of the exchange of information through status reports and project initiation data, there was still a need for closer working relationships in the planning and preparation of projects. Improvement was evident in this area, and an increasing number of projects were undertaken and initiated in consultation with the other agencies. Agreement was reached on the terms of reference, and responsibility for various parts was allocated. Only one person in ORR, however, was assigned to the task of planning and initiating projects. This was a totally inadequate allocation of manpower for such an important responsibility. Although the deficiencies in project planning and production coordination were recognized at the time, it was impossible to remedy the situation with such a limited staff.

One problem that was a source of frustration was the apparent injection of policy considerations into the final review of papers. This was reported to be true of State, where apparently all drafts were circulated to the policy desks for review. A case in point was CIA/RE 30-50, "Effects of Probable Argentine Economic Practice on US Security Interests," in which all of the agencies concurred except State. It appeared that ORR was unable to submit an independent intelligence judgment on this paper.* The estimate was not published. There was a strong feeling that a completely independent intelligence estimate could be produced only in CIA because no policy considerations would affect its conclusions.

Purely on the procedural and mechanical level the time-lag between "date of information" and "date of publication" of estimates was unacceptable. The

* See Enclosure D for the details of this case.

process of coordination outlined above was unnecessarily cumbersome and involved. Moreover, the necessity for clearing all changes in a draft with all agencies up to the time of publication made it extremely difficult to expedite production. Added to this was the fact that such clearance was usually at least one echelon removed from the IAC member himself, who might at the last moment reverse the position taken by his subordinates.

Although the writer is not familiar with the difficulties that may have existed in obtaining certain information from the IAC agencies at the research level, it was apparent that military information involving US forces was not available to CIA even when it was necessary for the completion of a national estimate. This was evident in IM-312, "Prospects for an Early Successful Chinese Communist Attack on Taiwan," where the terms of reference had to be modified to exclude reference to the effect of the presence of US forces because the necessary information was unavailable to CIA. The dissent of OMI was based, nevertheless, on the fact that this consideration was excluded.

No adequate system of priorities was in effect and applicable to all of the IAC agencies.* Generally speaking, meetings were punctually attended and deadlines met, but in individual cases it was difficult to establish the priority of certain papers and obtain full cooperation in meeting deadlines. It was the writer's impression that there was no lack of individual willingness to cooperate but rather an inability to do so because of organizational complexities within the agencies themselves. In some instances it may have been due to the inability of CIA to obtain full support from the IAC agencies.

A continuing problem was the interpretation of the words "concurrence" and "dissent," especially the latter. The definition of "dissent" in DCI 3/2 was

* DCI 4/2 provided a "Priority List of Critical National Intelligence Objectives," but this was not systematically related to particular papers.

not always carefully adhered to. There are enclosed two reports which cover this problem in more detail. (Enclosures E & F.)

It is believed that the full potential of ORE was never realized, because of the lack of a well-integrated intelligence production plan. Many efforts were made in this direction (see Enclosures G & H), but, for reasons unknown to the writer, no significant results ensued. Because of this, much of the time of ORE was spent in fulfilling the varied requests of other offices and agencies for information and estimates. The rest of the production program did not necessarily represent the coordinated judgment of the office on the relative importance of the subjects selected.

4. Conclusions.

I believe that I should refrain from drawing any detailed conclusions on the basis of this rather hasty and superficial review of a very complex situation. No careful research, however, is necessary to arrive at the broad conclusion that internally ORE lacked a clear conception of its mission and that externally its relations with the IAC agencies appeared to be inadequately defined.

25X1A9a



D/R:ORR:WJMoberg:rlb

Enclosures (with original only):

- A - List of Reports and Estimates Published
1 January 1950 - 1 February 1951
- B - ORR Status Report
- C - Coordination of IM-312
- D - Suspension of Publication of CIA/RE 30-50
- E - Review of Agency dissents received on CIA publications (forwarded separately)
- F - IAC Cooperation with CIA
- G - Analysis of ORE Production
- H - Report of the Committee on a Comprehensive Production Plan